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C O N F I D E N T I A L SECTION 01 OF 02 ABU DHABI 004253

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STATE PASS TO USTR FOR LKARESH, DBELL AND AROSENBERG

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SUBJECT: UAE VICE-PRESIDENT MANDATES IMPROVING WORKER CONDITIONS

Classified By: AMBASSADOR MICHELE J. SISON FOR REASONS 1.4 (b & d).

¶11. (SBU) Summary: On November 7, Sheikh Mohammed bin Rashid Al Maktoum (MbR), Vice-President and Prime Minister of the UAE and Ruler of Dubai announced a series of measures to improve the conditions of expatriate laborers including: mandatory health insurance, the creation of a labor court, an increase in labor inspectors, cracking down on unscrupulous recruiting agencies and making it easier for employees to change jobs. There are some new initiatives in MbR's announcement, including lowering the amount of time that an unpaid worker must wait before changing jobs and setting up a labor court. More importantly, however, this is the first time MbR, in his role as UAE Vice-President and Prime Minister, has publicly called for the protection of workers' rights. End Summary.

¶12. (U) On November 8, the local English and Arabic press reported that Sheikh Mohammed bin Rashid Al Maktoum (MbR), Vice-President and Prime Minister of the UAE and Ruler of Dubai met with Labor Minister Dr. Ali Al Ka'abi the day before to discuss the conditions of laborers. According to the English language daily, Gulf News, MbR said, "The UAE will not tolerate any unjust treatment of workers or compromise of their dignity and basic human rights." MbR mandated that all requirements of health and safety standards must be fulfilled to ensure decent conditions for the workers. MbR also mandated that all workers receive health insurance, but did not elaborate on how to implement this mandate. Additionally, workers who have not been paid for at least two months will now be allowed to change jobs without the employer's permission. Previously, employees were not able to change employers unless their salary had been in arrears for at least three months. Sheikh Mohammed also ordered the establishment of a new labor court and a huge increase in the number of labor inspectors. Furthermore, MbR asked Al Ka'abi to crack down on recruiting agencies to ensure that they comply with the laws and prevent them from abusing workers' rights. MbR also instructed the Naturalization and Residency Department to implement special contracts between domestic workers and their employers that limit their working hours and grant them their "full rights."

¶13. (SBU) Econoff spoke to MOL Legal Advisor Yousif Gaffar Sirag Al Noor for further information on MbR's announcements. Al Noor said, "I am very excited about MbR's focus on labor issues and said that Labor Minister Al Ka'abi will be moving forward on the reforms very quickly." He also said that the highly anticipated amendments to the labor law should be passed soon. (Note: Embassy officials have been told for the past three years that amendments to the labor law would be passed "soon." End note.) Al Noor said the MOL and the Ministry of Health would work together to come up with the most efficient and effective way to provide health insurance

to all workers and also said that the cost would be shared between the government and the employer. He also explained that the new labor court would primarily hear cases involving more than one claimant, i.e., where a company owes payment to a group of workers. The new court will be comprised of five individuals and each Emirate will have its own labor court. Al Noor said there are currently 78 labor inspectors in the MOL. According to the law, each company is supposed to be inspected twice a year, but with only 78 labor inspectors this is "impossible." Under MbR's proposal, the inspection unit will be increased to 2000 inspectors.

¶4. (SBU) On November 5, Econoff, Poloff and GTIP Reports Coordinator Patel met with Mr. Obeid Al Zahmi, MoL Assistant U/S and Al Noor, to discuss recent UAEG efforts to address labor issues. During that meeting, the MOL officials stressed that recruiting agencies, both in the UAE and in the source countries, should be more strictly regulated and said that the UAEG will sign Memoranda of Understanding (MOU) with several of the source countries--specifically naming India and Pakistan-- to regulate recruiting agencies and to move towards a standardized labor contract that would be written in the employee's native language as well as Arabic. MOL officials also said that the highly anticipated amendments to the labor law would be vetted by a private UAE company on November 6, but would not offer any further details.

¶5. (C) Comment: This is a major public statement by a senior UAEG official and the first time MbR, in his role as UAE Vice-President and Prime Minister, has publicly called for the protection of workers' rights. In previous conversations with Econoffs, MOL U/S Khalid Al-Khazraji has specifically urged USG officials to raise the importance of meeting international labor standards with "UAE political level

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officials," implying that some labor reforms, especially foreign participation in labor unions have not passed due to a lack of "buy-in" by the higher-ups of the UAEG. Hopefully, MbR's public support for protecting workers' rights will give added impetus to improving the conditions of the UAE's large expatriate labor force. End comment.

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